

Opening Statement
Chairman Michael G. Oxley
Committee on Financial Services
July 25, 2001

Consideration of:
H.R. 2589 Office of Multifamily Housing Assistance Restructuring Reauthorization
H.R. 2510 Defense Production Act Reauthorization

(both passed by voice vote)

Our first bill, H.R. 2589, will extend authorization of the Office of Multifamily Housing Assistance Restructuring, also known as OMHAR, which is currently a separate office within the Department of Housing and Urban Development. The authority would extend, by three years, the mark-to-market program and extend the office that is provided special tools necessary to restructure developments that receive both project-based rental section 8 payments and Federal Housing Administration mortgage insurance.

Because the authorization for this office sunsets at the end of this fiscal year, it is important that this Committee move extension of authorization as soon as possible to continue the important work of this office.

Committee Republican and Democratic staffs have collaborated on this bill, resulting in support from the Housing Subcommittee Chairwoman, Marge Roukema and Ranking Member Barney Frank. Moreover, staffs have been working with their Senate counterparts, who are scheduled to markup similar legislation next week.

This is important legislation, and it deserves our support.

We are also considering legislation to reauthorize and extend the Defense Production Act. The DPA uses economic tools to provide prompt, adequate and uninterrupted supplies of industrial resources to satisfy both military readiness needs, and needs arising from civil emergencies.

While the DPA traditionally has been authorized for periods of from three to five years at a time - Congress in 1995 gave President Clinton a three-year reauthorization - because of accidents of timing in the legislative calendar it has been reauthorized on a year-to-year basis for the past three years. This has caused an unfortunate air of uncertainty for the Federal department and agencies that are authorized to use the DPA.

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The DPA expires at the end of the fiscal year, and so in this markup we are considering H.R. 2510, introduced last week by Chairman King of the Domestic Monetary Policy subcommittee by request of the administration. Mrs. Maloney, the ranking member of the subcommittee, is the original co-sponsor, and the bill has broad, bipartisan support.

H.R. 2510 is as straightforward, three-year reauthorization, with a handful of purely technical amendments that amount to housekeeping - one, for example, corrects the name of the Financial Services Committee to reflect the creation of this new committee. Others fix errors in section numbering, or harmonize language within the bill.

This legislation responds to an immediate need. We don't want to repeat the mistakes of 1990 when the DPA expired in the middle of Operation Desert Storm. While the DPA may need to be tweaked, we should ensure that these important authorities continue uninterrupted, and use the next 3 years to carefully examine proposed improvements to the Act.

Mr. King and Mrs. Maloney deserve great credit for their bipartisan work on this bill. I urge everyone to support it, so we can move it to the House in short order.

The Chair yields back the balance of his time.